

# Budget Brief – Utah Correctional Industries

MEA

EOCJ-UDC-04

## SUMMARY

Utah Correctional Industries (UCI) is Utah's prison industries program. Under direction from the UCI Advisory Board and the Utah Department of Corrections, UCI operates enterprises utilizing inmate labor to benefit tax-supported entities. UCI is a self-supporting program, deriving its revenues solely from the sales of products and services. UCI provides work experience and skills training for inmates to increase the successful return of offenders from prison or parole into the community.

## ISSUES AND RECOMMENDATIONS

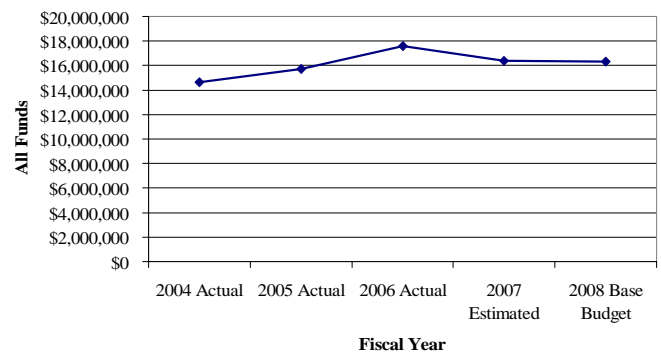
UCI has generated a profit for the last five years. Profits are held by UCI as retained earnings. The retained earnings allows UCI the ability to be a self-sustaining enterprise fund and provides the resources necessary for reinvestment into UCI operations and training programs.

### ***Business Enterprises***

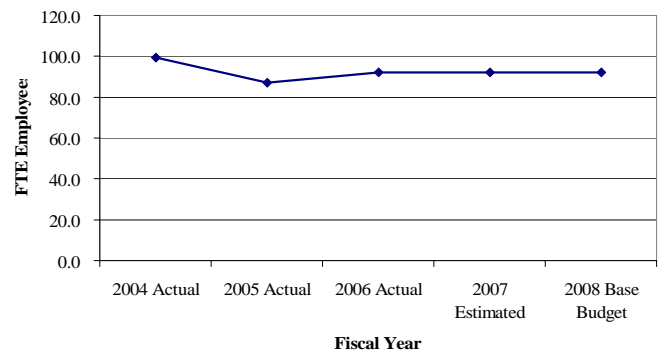
UCI enterprises are involved in the following areas:

- Furniture manufacturing
- Seat manufacturing
- License plate production
- Sign manufacturing
- Printing projects
- Computer refurbishing
- Data entry
- Microfilming
- Community work crews
- Asbestos abatement
- Commercial sewing
- Meat and milk processing
- Electronic recycling
- Waste recycling
- Commissary services
- Roofing and construction

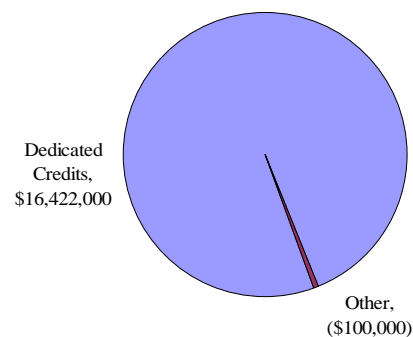
**Figure 1: Corrections - Utah Correctional Industries - Budget History**



**Figure 2: Corrections - Utah Correctional Industries - FTE History**



**Figure 3: Corrections - Utah Correctional Industries - FY 2008 Funding Mix**



**ACCOUNTABILITY DETAIL**

The Legislature's intention, as indicated by statute, is that Correctional Industries provide an environment for the operation of correctional industries that closely resembles the environment for the business operations of a private corporate entity. Included in this intent of the Legislature are four standards, which Correctional Industries are to maintain:

- UCI is to be a self-supporting organization.
- UCI's economic goal is to be profit-oriented.
- Revenue for operations and capital investment are to be generated by the Division.
- The Division should assume responsibility for training offenders in general work habits, work skills, and specific training skills that increase their employment prospects when released.

UCI met the goal of profitability beginning in FY 2002. Since that time, UCI has been self-sustaining. The agency projects continued profitability for FY 2007.

***Utah Correctional Industries Performance Measures***

Performance Data Summary - Utah Correctional Industries				
Goal	Measure	Measure Type	FY 2006 Target	Observed
# of inmates participating	Participation	Input	600	540
% of average daily population participating	Participation	Input	20%	14%
Financial outcome	Profit/(Loss)	Output	\$ 750,000	\$ 780,000

**BUDGET DETAIL**

UCI is a self-sustaining business entity under the control of the UCI Board and the Department of Corrections. Retained earnings of over \$3,000,000 have been generated since 2002. These funds should be used to expand opportunities for inmates to develop marketable skills while providing services to tax-supported entities.

***Intent Language***

The entire Department has been granted nonlapsing authority for the carry-over of unexpended funds from one year to the next. The Analyst recommends the continuation of the following Legislative intent language: *It is the intent of the Legislature that the funds for Corrections Programs and Operations line item shall not lapse.*

**LEGISLATIVE ACTION**

1. The Analyst recommends consideration of an UCI base budget of \$16,322,000.
2. Consider non-lapsing intent language for the line item as discussed on page 2.

**BUDGET DETAIL TABLE**

Corrections - Utah Correctional Industries						
Sources of Finance	FY 2006 Actual	FY 2007 Appropriated	Changes	FY 2007 Revised	Changes	FY 2008* Base Budget
Dedicated Credits Revenue	17,385,500	16,422,000	0	16,422,000	0	16,422,000
Closing Nonlapsing	219,700	(50,000)	0	(50,000)	(50,000)	(100,000)
<b>Total</b>	<b>\$17,605,200</b>	<b>\$16,372,000</b>	<b>\$0</b>	<b>\$16,372,000</b>	<b>(\$50,000)</b>	<b>\$16,322,000</b>
<b>Programs</b>						
Utah Correctional Industries	17,605,200	16,372,000	0	16,372,000	(50,000)	16,322,000
<b>Total</b>	<b>\$17,605,200</b>	<b>\$16,372,000</b>	<b>\$0</b>	<b>\$16,372,000</b>	<b>(\$50,000)</b>	<b>\$16,322,000</b>
<b>Categories of Expenditure</b>						
Personal Services	5,174,800	5,776,600	229,900	6,006,500	(229,900)	5,776,600
In-State Travel	14,900	5,400	7,400	12,800	(7,400)	5,400
Out of State Travel	15,300	14,800	(1,300)	13,500	1,300	14,800
Current Expense	12,306,700	9,444,000	1,091,900	10,535,900	(1,141,900)	9,394,000
DP Current Expense	188,100	231,600	(65,400)	166,200	65,400	231,600
DP Capital Outlay	328,100	0	0	0	0	0
Capital Outlay	102,800	0	88,200	88,200	(88,200)	0
Other Charges/Pass Thru	214,900	17,800	166,700	184,500	(166,700)	17,800
Cost of Goods Sold	(740,400)	881,800	(1,517,400)	(635,600)	1,517,400	881,800
<b>Total</b>	<b>\$17,605,200</b>	<b>\$16,372,000</b>	<b>\$0</b>	<b>\$16,372,000</b>	<b>(\$50,000)</b>	<b>\$16,322,000</b>
<b>Other Data</b>						
Budgeted FTE	92.0	87.0	5.0	92.0	0.0	92.0
Vehicles	52	50	2	52	0	52

\*Does not include amounts in excess of subcommittee's state fund allocation that may be recommended by the Fiscal Analyst.